



stock ownership guidelines

DIRECTOR AND EXECUTIVE OFFICER
STOCK OWNERSHIP GUIDELINES AND STOCK RETENTION POLICY
AMENDED AS OF NOVEMBER 2015

OBJECTIVE

To encourage all lululemon athletica inc. (the "**Company**") (i) non-employee directors and (ii) executive officers who are required to file reports under Section 16(a) of the Securities Exchange Act of 1934, to own a significant number of shares of common stock in the Company ("**Common Stock**"), thus further aligning their interests with those of the Company's stockholders.

COMPANY STOCK OWNERSHIP

For the purpose of determining Company stock ownership of a particular director or executive officer, shares of Common Stock owned directly by such individual, such individual's spouse, any minor children that share the same home as such individual, and any trust in which the individual is a trustee with voting and investment power, shall be treated as shares owned and paid for by such individual.

Additionally, all vested shares of Company restricted Common Stock, all shares of Common Stock issued upon the vesting of restricted stock units and performance share units, and all vested Company stock options exercisable for Common Stock (net of that number of shares of Common Stock that such director or executive officer would need to sell to cover the exercise price with respect to such vested stock option), shall be treated as shares of Common Stock owned by such individual in connection with these guidelines.

Shares of Common Stock issuable with respect to unvested restricted share units and unvested performance share units as well as unvested shares of Company restricted Company Stock shall not be treated as shares of Common Stock owned by such individual in connection with these guidelines.

STOCK OWNERSHIP GUIDELINES

The Company's non-employee directors are encouraged to hold shares of Common Stock having an aggregate value of at least five times (5x) the value of his or her annual cash retainer.

The Company's Chief Executive Officer is required to hold shares of Common Stock having an aggregate value of at least five times (5x) his or her annual base salary.

Other executive officers of the Company who are required to file reports under Section 16(a) of the Securities Exchange Act of 1934 are required to hold shares of Common Stock having an aggregate value of at least three times (3x) his or her annual base salary.

Directors and executive officers will be deemed to have satisfied the applicable stock ownership guidelines if either (i) the aggregate price paid by the director or executive officer for such shares of Common Stock held equals or exceeds the relevant multiple of his or her current annual base salary or annual retainer, as applicable, or (ii) the fair market value of such shares of Common Stock equals or exceeds such amount, as calculated on the first trading day of each calendar year.

STOCK RETENTION POLICY

Executive officers subject to this stock retention policy are required to retain 75% of the net shares of Common Stock acquired upon the vesting or exercise of any new incentive equity awards, after deducting the number of shares of Common Stock that would be needed to pay applicable taxes and/or exercise price, until the applicable stock ownership guideline is met. For purposes of this stock retention policy, "new incentive equity award" means any equity award granted pursuant to the Company's equity incentive plans after February 1, 2016.

TIMING FOR COMPLIANCE WITH STOCK OWNERSHIP GUIDELINES

Executive officers subject to these stock ownership guidelines are required to comply with these stock ownership guidelines and stock retention policy by February 1, 2016.

Non-employee directors subject to these stock ownership guidelines are encouraged to comply with these stock ownership guidelines by the fifth anniversary of such person's date of appointment or election.

HARDSHIP RELIEF

The Compensation Committee of the Company's board of directors may, in its discretion, determine the appropriate hardship relief, if any, for non-compliance with the stock ownership guidelines or the stock retention policy, including but not limited to allowing individuals additional time to gain or regain compliance and suspending ownership and/or retention requirements in the event of extreme volatility in the Company's stock price.